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January 16, 2019

***Via email <contracts@bjservices.com> and CMRRR***

Megan Valenzano  
Contracts Manager  
BJ Services, LLC  
11211 FM 2920 Rd.  
Tomball, Texas 77375

**RE: Demand for Payment and Notice of Dispute**

Ms. Valenzano,

BJ Services, LLC ("BJ Services") and Petrohawk Energy Corporation ("PEC") are parties to the Master Services Agreement for Goods and/or Services for: Hydraulic Fracturing Services and Related Services, Cementing Services, Acidizing Services, dated effective October 12, 2017 (the "MSA").

Acting under the MSA, BJ Services performed a cement job on the production casing for the State Willie Vee 56-T3-6 W107H (the "Well") in Reeves County, Texas, on October 2, 2018. BJ Services failed to include 52 gallons of R-21L in the water mix for the cement job on the Well, which caused the cement to set up early. This resulted in close to 7,000 feet of cement left in the pipe, which damaged the wellbore. Subsequent attempts to remediate the well and correct the damage were unsuccessful, and PEC subsequently lost the Well.

PEC has suffered substantial damages as a result of BJ Services' failure to properly complete the cement job for the Well. Under Clause 7.3(x) of the MSA, BJ Services is responsible for payment to PEC of at least \$2,500,000 to compensate for these damages caused by BJ Services' negligence and fault. Based on PEC's preliminary calculations, both the remediation costs for the Well and the costs associated with losing the Well each exceed \$2,500,000. Accordingly, PEC demands that BJ Services immediately remit payment of \$2,500,000 to PEC.

Additionally, under Section 12.2(a) of the MSA, this letter constitutes a "Notice of Dispute" in accordance with the dispute resolution provisions of the MSA. PEC

requests a telephonic settlement meeting with an appropriate representative of BJ Services in order to hold a "Settlement Meeting," as defined in the MSA. I will serve as the designee for PEC, per Section 12.2(a).

If, within thirty (30) days, BJ Services does not remit payment of \$2,500,000 to PEC or does not make an appropriate representative reasonably available for a Settlement Meeting, PEC will have no choice but to take action to recover for damages incurred based on BJ Services' fault and negligence.

PEC expressly reserves any and all rights and remedies available to it under the MSA, together with all rights and remedies under any other agreement, at law, in equity, or otherwise.

Please contact me at 713-552-4597.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Nelson", is written over a horizontal line.

Chris Nelson  
Head of Shale Drilling and Completions  
Authorized Agent for Petrohawk Energy Corporation